GOVERNMENT OF INDIA
HOUSING AND URBAN POVERTY ALLEVIATION
LOK SABHA

STARRED QUESTION NO:255
ANSWERED ON:03.08.2016
Affordable Housing
Scindia Shri Jyotiraditya Madhavrao

Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:

Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:
(a) the details of criterion of interest subvention subsidy or incremental housing under housing for all;

(b) whether the Government has delineated the definition and scope of the term "Affordable Housing" under the housing for all (urban) mission and if so, the details thereof;

(c) whether there is a provision for mandatory social audit of housing projects by the States/UTs/urban local bodies, and if not, the reasons therefor;

(d) whether the mission "Housing for all" incorporates provisions for penalising forced evictions in providing "Affordable Housing in Partnership" on private land; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF HOUSING AND URBAN POVERTY ALLEVIATION
[SHRI M. VENKAIAH NAIDU]

(a) to (e): A Statement is laid on the Table of the Sabha.
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STATEMENT

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 255* FOR 03.08.2016 REGARDING "AFFORDABLE HOUSING"

(a) & (b): The Pradhan Mantri Awas Yojana (Urban) {PMAY[U]} Mission launched by the Government covers beneficiaries belonging to the Economically Weaker Section (EWS) and Lower Income Group (LIG). The EWS households are defined as households having an annual income up to Rs.3,00,000/- and LIG households are those having annual income between Rs.3,00,000 and up to Rs.6,00,000. The PMAY(U) mission guidelines, however, does not define the term "Affordable Housing" as a universal usage.

Under Credit Linked Subsidy Scheme (CLSS) component of Pradhan Mantri Awas Yojan (Urban) {PMAY[U]}, beneficiaries of Economically Weaker Section (EWS) and Low Income Group (LIG) not owning a pucca house anywhere in India and seeking housing loans (for new construction and for addition of rooms, kitchen, toilet etc. to existing dwellings as incremental housing) from Banks, Housing Finance Companies and other such identified institutions are eligible for an interest subsidy at the rate of 6.5% for a maximum tenure of 15 years.

The carpet area of houses being constructed or enhanced under this component of the mission should be upto 30 square metres and 60 square metres for EWS and LIG, respectively in order to avail of this credit linked subsidy. The beneficiary, at his/her discretion, can build a house of larger area, but interest subvention would be limited to first Rs. 6 lakh only.

The credit linked subsidy is available only for loan amounts upto 6 lakh and additional loans beyond 6 lakh, if any, are at nonsubsidized rate. The interest subsidy is credited upfront to the loan account of beneficiaries and the Net Present Value (NPV) of the interest subsidy is calculated at a discount rate of 9%.

(c) : PMAY(U) mission guidelines provide for assisting State / UT Governments in undertaking social audit of the projects being implemented under the Mission. The social audit would be carried out by the State / UT governments and ULBs, inter-alia, through creditable technical, architectural and design institutes.

(d) & (e): 'Land' and 'Colonisation' being State subjects, it is for State / UT Governments to provide encumbrance free land for projects under the PMAY (U) Mission.

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